

CERTIFICATION OF ENROLLMENT
SUBSTITUTE SENATE BILL 6540

Chapter 359, Laws of 2006

59th Legislature
2006 Regular Session

LIQUOR LICENSES

EFFECTIVE DATE: 6/7/06

Passed by the Senate March 7, 2006
YEAS 48 NAYS 0

BRAD OWEN

President of the Senate

Passed by the House March 1, 2006
YEAS 98 NAYS 0

FRANK CHOPP

Speaker of the House of Representatives

CERTIFICATE

I, Thomas Hoemann, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **SUBSTITUTE SENATE BILL 6540** as passed by the Senate and the House of Representatives on the dates hereon set forth.

THOMAS HOEMANN

Secretary

Approved March 30, 2006.

FILED

March 30, 2006 - 3:40 p.m.

CHRISTINE GREGOIRE

Governor of the State of Washington

**Secretary of State
State of Washington**

SUBSTITUTE SENATE BILL 6540

AS AMENDED BY THE HOUSE

Passed Legislature - 2006 Regular Session

State of Washington 59th Legislature 2006 Regular Session

By Senate Committee on Labor, Commerce, Research & Development
(originally sponsored by Senators Kohl-Welles, Parlette and Keiser;
by request of Liquor Control Board)

READ FIRST TIME 01/24/06.

1 AN ACT Relating to processing liquor licenses; and amending RCW
2 66.24.010.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 **Sec. 1.** RCW 66.24.010 and 2004 c 133 s 1 are each amended to read
5 as follows:

6 (1) Every license shall be issued in the name of the applicant, and
7 the holder thereof shall not allow any other person to use the license.

8 (2) For the purpose of considering any application for a license,
9 the board may cause an inspection of the premises to be made, and may
10 inquire into all matters in connection with the construction and
11 operation of the premises. For the purpose of reviewing any
12 application for a license and for considering the denial, suspension or
13 revocation of any license, the liquor control board may consider any
14 prior criminal conduct of the applicant including a criminal history
15 record information check. The board may submit the criminal history
16 record information check to the Washington state patrol and to the
17 identification division of the federal bureau of investigation in order
18 that these agencies may search their records for prior arrests and
19 convictions of the individual or individuals who filled out the forms.

1 The board shall require fingerprinting of any applicant whose criminal
2 history record information check is submitted to the federal bureau of
3 investigation. The provisions of RCW 9.95.240 and of chapter 9.96A RCW
4 shall not apply to such cases. The board may, in its discretion, grant
5 or refuse the license applied for. Authority to approve an uncontested
6 or unopposed license may be granted by the board to any staff member
7 the board designates in writing. Conditions for granting such
8 authority shall be adopted by rule. No retail license of any kind may
9 be issued to:

10 (a) A person doing business as a sole proprietor who has not
11 resided in the state for at least one month prior to (~~making~~
12 ~~application~~) receiving a license, except in cases of licenses issued
13 to dining places on railroads, boats, or aircraft;

14 (b) A copartnership, unless all of the members thereof are
15 qualified to obtain a license, as provided in this section;

16 (c) A person whose place of business is conducted by a manager or
17 agent, unless such manager or agent possesses the same qualifications
18 required of the licensee;

19 (d) A corporation or a limited liability company, unless it was
20 created under the laws of the state of Washington or holds a
21 certificate of authority to transact business in the state of
22 Washington.

23 (3)(a) The board may, in its discretion, subject to the provisions
24 of RCW 66.08.150, suspend or cancel any license; and all rights of the
25 licensee to keep or sell liquor thereunder shall be suspended or
26 terminated, as the case may be.

27 (b) The board shall immediately suspend the license or certificate
28 of a person who has been certified pursuant to RCW 74.20A.320 by the
29 department of social and health services as a person who is not in
30 compliance with a support order. If the person has continued to meet
31 all other requirements for reinstatement during the suspension,
32 reissuance of the license or certificate shall be automatic upon the
33 board's receipt of a release issued by the department of social and
34 health services stating that the licensee is in compliance with the
35 order.

36 (c) The board may request the appointment of administrative law
37 judges under chapter 34.12 RCW who shall have power to administer
38 oaths, issue subpoenas for the attendance of witnesses and the

1 production of papers, books, accounts, documents, and testimony,
2 examine witnesses, and to receive testimony in any inquiry,
3 investigation, hearing, or proceeding in any part of the state, under
4 such rules and regulations as the board may adopt.

5 (d) Witnesses shall be allowed fees and mileage each way to and
6 from any such inquiry, investigation, hearing, or proceeding at the
7 rate authorized by RCW 34.05.446, as now or hereafter amended. Fees
8 need not be paid in advance of appearance of witnesses to testify or to
9 produce books, records, or other legal evidence.

10 (e) In case of disobedience of any person to comply with the order
11 of the board or a subpoena issued by the board, or any of its members,
12 or administrative law judges, or on the refusal of a witness to testify
13 to any matter regarding which he or she may be lawfully interrogated,
14 the judge of the superior court of the county in which the person
15 resides, on application of any member of the board or administrative
16 law judge, shall compel obedience by contempt proceedings, as in the
17 case of disobedience of the requirements of a subpoena issued from said
18 court or a refusal to testify therein.

19 (4) Upon receipt of notice of the suspension or cancellation of a
20 license, the licensee shall forthwith deliver up the license to the
21 board. Where the license has been suspended only, the board shall
22 return the license to the licensee at the expiration or termination of
23 the period of suspension. The board shall notify all vendors in the
24 city or place where the licensee has its premises of the suspension or
25 cancellation of the license; and no employee may allow or cause any
26 liquor to be delivered to or for any person at the premises of that
27 licensee.

28 (5)(a) At the time of the original issuance of a spirits, beer, and
29 wine restaurant license, the board shall prorate the license fee
30 charged to the new licensee according to the number of calendar
31 quarters, or portion thereof, remaining until the first renewal of that
32 license is required.

33 (b) Unless sooner canceled, every license issued by the board shall
34 expire at midnight of the thirtieth day of June of the fiscal year for
35 which it was issued. However, if the board deems it feasible and
36 desirable to do so, it may establish, by rule pursuant to chapter 34.05
37 RCW, a system for staggering the annual renewal dates for any and all
38 licenses authorized by this chapter. If such a system of staggered

1 annual renewal dates is established by the board, the license fees
2 provided by this chapter shall be appropriately prorated during the
3 first year that the system is in effect.

4 (6) Every license issued under this section shall be subject to all
5 conditions and restrictions imposed by this title or by (~~the~~
6 ~~regulations in force from time to time~~) rules adopted by the board.
7 All conditions and restrictions imposed by the board in the issuance of
8 an individual license shall be listed on the face of the individual
9 license along with the trade name, address, and expiration date.

10 (7) Every licensee shall post and keep posted its license, or
11 licenses, in a conspicuous place on the premises.

12 (8)(a) Unless (b) of this subsection applies, before the board
13 issues a license to an applicant it shall give notice of such
14 application to the chief executive officer of the incorporated city or
15 town, if the application is for a license within an incorporated city
16 or town, or to the county legislative authority, if the application is
17 for a license outside the boundaries of incorporated cities or towns.

18 (b) If the application for a special occasion license is for an
19 event held during a county, district, or area fair as defined by RCW
20 15.76.120, and the county, district, or area fair is located on
21 property owned by the county but located within an incorporated city or
22 town, the county legislative authority shall be the entity notified by
23 the board under (a) of this subsection. The board shall send a
24 duplicate notice to the incorporated city or town within which the fair
25 is located.

26 (c) The incorporated city or town through the official or employee
27 selected by it, or the county legislative authority or the official or
28 employee selected by it, shall have the right to file with the board
29 within twenty days after date of transmittal of such notice, written
30 objections against the applicant or against the premises for which the
31 license is asked. The board may extend the time period for submitting
32 written objections.

33 (d) The written objections shall include a statement of all facts
34 upon which such objections are based, and in case written objections
35 are filed, may request and the liquor control board may in its
36 discretion hold a (~~formal~~) hearing subject to the applicable
37 provisions of Title 34 RCW.

1 (e) Upon the granting of a license under this title the board shall
2 send ~~((a duplicate of the license or))~~ written notification to the
3 chief executive officer of the incorporated city or town in which the
4 license is granted, or to the county legislative authority if the
5 license is granted outside the boundaries of incorporated cities or
6 towns. When the license is for a special occasion license for an event
7 held during a county, district, or area fair as defined by RCW
8 15.76.120, and the county, district, or area fair is located on county-
9 owned property but located within an incorporated city or town, the
10 ~~((duplicate))~~ written notification shall be sent to both the
11 incorporated city or town and the county legislative authority.

12 (9)(a) Before the board issues any license to any applicant, it
13 shall give ~~((a))~~ (i) due consideration to the location of the
14 business to be conducted under such license with respect to the
15 proximity of churches, schools, and public institutions and ~~((b))~~
16 (ii) written notice ~~((by certified mail))~~, with receipt verification,
17 of the application to ~~((churches, schools, and))~~ public institutions
18 identified by the board as appropriate to receive such notice,
19 churches, and schools within five hundred feet of the premises to be
20 licensed. The board shall issue no beer retailer license for either
21 on-premises or off-premises consumption or wine retailer license for
22 either on-premises or off- premises consumption or spirits, beer, and
23 wine restaurant license covering any premises not now licensed, if such
24 premises are within five hundred feet of the premises of any tax-
25 supported public elementary or secondary school measured along the most
26 direct route over or across established public walks, streets, or other
27 public passageway from the ~~((outer property line))~~ main entrance of the
28 school ~~((grounds))~~ to the nearest public entrance of the premises
29 proposed for license, and if, after receipt by the school ~~((or public~~
30 ~~institution))~~ of the notice as provided in this subsection, the board
31 receives written ~~((notice))~~ objection, within twenty days after
32 ~~((posting))~~ receiving such notice, from an official representative or
33 representatives of the school within five hundred feet of said proposed
34 licensed premises, indicating to the board that there is an objection
35 to the issuance of such license because of proximity to a school. The
36 board may extend the time period for submitting objections. For the
37 purpose of this section, church shall mean a building erected for and
38 used exclusively for religious worship and schooling or other activity

1 in connection therewith. For the purpose of this section, public
2 institution shall mean institutions of higher education, parks,
3 community centers, libraries, and transit centers.

4 (b) No liquor license may be issued or reissued by the board to any
5 motor sports facility or licensee operating within the motor sports
6 facility unless the motor sports facility enforces a program reasonably
7 calculated to prevent alcohol or alcoholic beverages not purchased
8 within the facility from entering the facility and such program is
9 approved by local law enforcement agencies.

10 (c) It is the intent under this subsection (9) that a retail
11 license shall not be issued by the board where doing so would, in the
12 judgment of the board, adversely affect a private school meeting the
13 requirements for private schools under Title 28A RCW, which school is
14 within five hundred feet of the proposed licensee. The board shall
15 fully consider and give substantial weight to objections filed by
16 private schools. If a license is issued despite the proximity of a
17 private school, the board shall state in a letter addressed to the
18 private school the board's reasons for issuing the license.

19 (10) The restrictions set forth in subsection (9) of this section
20 shall not prohibit the board from authorizing the assumption of
21 existing licenses now located within the restricted area by other
22 persons or licenses or relocations of existing licensed premises within
23 the restricted area. In no case may the licensed premises be moved
24 closer to a church or school than it was before the assumption or
25 relocation.

26 (11)(a) Nothing in this section prohibits the board, in its
27 discretion, from issuing a temporary retail or distributor license to
28 an applicant (~~((assuming an existing retail or distributor license))~~) to
29 (~~((continue the operation of))~~) operate the retail or distributor
30 premises during the period the application for the license is pending
31 (~~((and when the following conditions exist:~~

32 ~~(a) The licensed premises has been operated under a retail or~~
33 ~~distributor license within ninety days of the date of filing the~~
34 ~~application for a temporary license;~~

35 ~~(b) The retail or distributor license for the premises has been~~
36 ~~surrendered pursuant to issuance of a temporary operating license;~~

37 ~~(c) The applicant for the temporary license has filed with the~~

1 ~~board an application to assume the retail or distributor license at~~
2 ~~such premises to himself or herself; and~~

3 ~~(d) The application for a temporary license is accompanied by a~~
4 ~~temporary license fee established by the board by rule)). The board~~
5 ~~may establish a fee for a temporary license by rule.~~

6 (b) A temporary license issued by the board under this section
7 shall be for a period not to exceed sixty days. A temporary license
8 may be extended at the discretion of the board for ~~((an))~~ additional
9 periods of sixty-days ~~((period))~~ upon payment of an additional fee and
10 upon compliance with all conditions required in this section.

11 (c) Refusal by the board to issue or extend a temporary license
12 shall not entitle the applicant to request a hearing. A temporary
13 license may be canceled or suspended summarily at any time if the board
14 determines that good cause for cancellation or suspension exists. RCW
15 66.08.130 ~~((and chapter 34.05 RCW shall apply))~~ applies to temporary
16 licenses.

17 (d) Application for a temporary license shall be on such form as
18 the board shall prescribe. If an application for a temporary license
19 is withdrawn before issuance or is refused by the board, the fee which
20 accompanied such application shall be refunded in full.

Passed by the Senate March 7, 2006.
Passed by the House March 1, 2006.
Approved by the Governor March 30, 2006.
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